

1 you can show the demand, you don't pay a dime for it. So,
2 again, T-1s are free, and it's when you get into the end of
3 the 45 meg range, that you start to pay.

4 In Maine, right now, we have a few initiatives
5 that are going. Bell Atlantic's incentive rate case is up
6 again in front of the Commission, and we're going to argue
7 or file comments to the point that we need to expand this
8 initial kiosk model.

9 We first looked at it in terms of education, but
10 now we need to look at it in terms of overall network
11 deployment.

12 And we've identified towns throughout Maine which
13 are focuses of economic activity. They could be Portland in
14 the south or it could be a tiny town like Jackman, up near
15 the Quebec border. But, still, Jackman is the regional
16 focus for the economy of that region.

17 So what we're going to push for the Commission to
18 do is to, and hopefully for Bell Atlantic to go along with,
19 is to begin to deploy those services up to those magnet
20 towns, where most of the economic activity occurs, and work
21 with those towns to aggregate their demand and make those
22 investments worthwhile.

23 Last year the legislature reduced
24 telecommunications property tax rates by 40 percent,
25 recognizing the importance that this infrastructure plays

1 for a rural state like Maine.

2 And we've started to link all of our various
3 telehealth networks. We have several throughout the state,
4 but we're trying to bring them all together into a larger
5 network. And one of them is particularly interesting. They
6 have a boat that goes off, it's a missionary boat that goes
7 to the offshore isles that's wired with ISDN, and they're
8 able to deliver telehealth services to people who otherwise
9 would likely not make it to the mainland for health care.

10 And, finally, we have a marine research network
11 where we have linked all of our marine research
12 institutions, again, by ATM to each other, so that we can
13 create sort of a virtual critical mass, whereas we might
14 have a more broadly distributed network otherwise.

15 And, in short, that's what we see. The real
16 important step here is to take 706 and go from the kiosk
17 model to the next step, the fully distributed model, and
18 we're taking it slow in Maine, but we think that we're on
19 the right track.

20 Thanks.

21 MR. PAUL VASINGTON: Thanks, Jim, appreciate that.

22 That's really fascinating, what you've been able
23 to do.

24 I'd like to -- we have time for a lot of questions
25 and I want to -- I'll start off with one and then turn it

1 over to the Joint Conference members, but my question for
2 any of the panelists who want to address it is: We've heard
3 of your successful models and what you've done with schools
4 and libraries and with commercial enterprises and
5 businesses.

6 What do you think the prospects are for using this
7 kind of model of public/private partnership to getting out
8 to the residential market, also, and see if we can get
9 residential customers involved in getting broadband service?

10 MR. CHARLES PODESTA: I think speaking for
11 Berkshire County, that's something that we are actually
12 looking at. We haven't proceeded too far, but one of the
13 things we're looking at is, can Berkshire Connect, since
14 it's already formed as a nonprofit, can we have residents
15 join Berkshire Connect and then, by joining, can they get
16 the long-distance rates and the internet rates that are
17 provided to businesses?

18 I think there's some legal issues around that
19 right now that we're looking into, but if we could make that
20 happen, we would certainly go in that direction.

21 The other thing that we have to be sensitive to,
22 especially with the internet, is the local ISPs and the
23 issues around competing with them. Right now, we have them
24 on board, because they can join Berkshire Connect and take
25 advantage of the rates, and then sell to residential

1 customers. So we'd be undercutting them if we did that.

2 So you've got to sensitive to that, but it is
3 something that we're looking at.

4 MR. EUGENE CURRY: And it's certainly something
5 that we've been looking at at Cape Cod Connect. We have
6 made one of our top goals the solving the last mile problem,
7 and we are particularly concerned about the person who might
8 be, not only as a resident, but also starting their business
9 at home. And, as I mentioned, Bob Madonna started his
10 business out of his house.

11 And on the Cape, what we have seen is the roll out
12 of cable access, which somewhat mirrors the roll out of DSL
13 access. But even there, we still have three communities
14 that deal with a different cable provider, other than
15 MediaOne, who has no immediate plans for any kind of
16 significant modem access, and those communities remain
17 underserved, and we're working on trying to resolve that
18 issue.

19 MR. PAUL VASINGTON: Thanks.

20 I'll turn now to the Joint Conference members,
21 Commissioner Powell or Commissioner Perlman.

22 THE HONORABLE MICHAEL K. POWELL: In the previous
23 panel we heard a lot of the members describe particular
24 kinds of economic or demographic conditions that seemed to
25 correlate with deployment, and some of them would seem to

1 apply to some of your areas. Those don't go away by virtue
2 of the partnership or the aggregation.

3 I'm curious whether you could tease out for us in
4 what way does the creation of the partnership or the
5 correlation kind of serve as a combat multiplier that helps
6 overcome teledensity and income?

7 And I think we heard one of them, I guess you
8 would say, was aggregate of demand. But I was wondering, in
9 the context of what the previous panel said, whether you had
10 some specifics.

11 MR. EUGENE CURRY: I think, unquestionably, from
12 our perspective, one of them is the education process that
13 results. We put together a technical review team of some
14 very sophisticated network people who came from our own
15 constituency.

16 And one of the things you then start to understand
17 is what are the technical limitations and what are the
18 policy limitations?

19 And then when you're negotiating, if you know what
20 those are, you can start to use your -- whatever leverage
21 you've developed through the public/private -- if it's a
22 technical limitation and the technology just can't do it,
23 well, then you know that and you understand that.

24 But if, instead, it's a cost decision or a policy
25 decision, then you understand that, too. And it makes it a

1 lot easier to participate in the negotiations if you've got
2 that knowledge level. Without that knowledge level, I just
3 don't think you can be effective.

4 MR. JOSEPH ALVIANI: I might add to that, because
5 as you recall, one of the striking charts this morning was
6 also the one that indicated, as you saw, the two consecutive
7 charts about people's attitudes about broadband and higher
8 services. And then when they knew something about it or had
9 seen it, you saw the percentage increased dramatically.

10 I think you can really draw an analogy to the
11 impact of education information on the quality and
12 effectiveness of aggregations.

13 I think the more information and education you can
14 get out there, regardless of what the demographic
15 characterization may be of a community or their income
16 levels, the more you're going to develop a level of interest
17 which may, in a sense, have more people coming out of the
18 woodwork, so that your demand becomes more effective and
19 your influence becomes more effective.

20 MR. RAY CAMPBELL: Right. I would just add that I
21 think that -- I think one of the tactics that Mass.
22 Community Network was able to use was that Massachusetts is
23 a relatively attractive state in terms of telecommunications
24 deployment. It's not like Montana, where it's 500 miles
25 east to west and things like that.

1 But, I mean, we, by refusing to break out parts of
2 the state, I mean, we essentially said that, you know, we
3 would -- we were putting the entire public sector market
4 into play, as best we could.

5 But in order to capture Boston and 128 and 495,
6 the highly attractive, lucrative telecommunications markets
7 in Massachusetts, you had to agree to offer the same deal to
8 everyone else. So that let us leverage the private sector's
9 interest in getting the Boston and 128 and 495 belts, it
10 meant that they had to pick up those other things.

11 I think one other thing that we did, and it goes
12 with what some of the people have been saying before, is
13 that a lot of it is about educating the vendor community,
14 making them realize what a good deal you've got for them,
15 because you think that they would know it, but in fact
16 there's an awful lot that they can learn from you, and it
17 can increase their excitement.

18 And we, frankly, had something of an attitude
19 about us when we were meeting with the vendor community,
20 saying that, you know, Massachusetts is a very attractive
21 market in terms of its telecommunications potential.

22 But, also, we emphasized that Massachusetts has
23 not just national but international marquis brand
24 recognition in a couple of fields, but education and
25 technology are two of them. And we said that, you know,

1 there's got to be some value to a private sector
2 organization to capture that franchise, to be the official
3 education, technology telecommunications provider in
4 Massachusetts.

5 And so we pretty much told the vendors, right at
6 the first meeting, that if you're talking retail, not
7 interested; if you're talking retail minus 50 percent, still
8 not interested. We want to find somebody that's willing to
9 make a strategic -- if it sees a strategic opportunity in
10 partnering with the state.

11 And so we did find a young, aggressive
12 telecommunications company that had planned to deploy
13 broadband infrastructure in many parts of the state, and the
14 opportunity to capture this business was attractive enough
15 to them that they agreed to deploy in the entire state and
16 resulted in a much better deal for us.

17 MR. CHARLES PODESTA: The only reason that
18 education is so important is because the incumbent local
19 exchange carriers or RBOC in those regions aren't doing the
20 education. It's more beneficial to them to have the
21 population not be educated on these issues, because what
22 will happen if they are educated is they will form these
23 co-ops and then the competition will begin.

24 And right now in a lot of rural areas, the ILECs
25 can basically charge whatever they want to charge at this

1 point.

2 So I think Joe and everybody on the panel is
3 correct, that it's up to the community to take charge of
4 that education process and that's key.

5 MR. EUGENE CURRY: Let me just add one other
6 thing, and that is the major advantage with which the
7 governor -- the government partner brings to the table,
8 which does not involve massive amounts of money or subsidies
9 in investment; and, that is, that we can get away with a
10 lot, which in the private sector would be either a violation
11 of antitrust laws or other kinds of laws.

12 I mean, in a sense, what you're hearing described
13 here are tying arrangements, and in the real estate
14 development market, linkage.

15 You know, you want this, you've got to do
16 something else, you want that.

17 So that is a major leverage point in this area,
18 which I think the governmental partner can bring to the
19 table in a public/private partnership.

20 MR. PAUL VASINGTON: Mr. Perlman.

21 THE HONORABLE BRETT A. PERLMAN: How easily
22 replicable are the models that you guys have created here?
23 Could they be rolled out to other states and other
24 jurisdictions?

25 MR. CHARLES PODESTA: I think that the models

1 could be rolled out under certain conditions.

2 I think that you've got to have -- since
3 aggregation is an essential element of this, if you don't
4 have a sufficient base of potential users, you're just not
5 going to be able to make that business case.

6 Similarly, I think you need, both from the
7 technology community and the technology dependent community,
8 a number of people who are willing to make a commitment and
9 who have a sufficient level of expertise, that you can make
10 this thing happen.

11 We relied heavily on the Mass. Technology
12 Collaborative for some in-house technical expertise and for
13 some consulting, but we also had a significant commitment of
14 very sophisticated individuals from members of our
15 technology companies, and it was really essential.

16 I think to try and do this in another community
17 where you were starting out without those basic components,
18 I think it would be very difficult.

19 THE HONORABLE MICHAEL K. POWELL: I would say that
20 I think that the details aren't always replicable. I think
21 that there's, obviously, differences between Massachusetts
22 and, as I mentioned, Montana, with its 500 miles from east
23 to west.

24 But the guiding principles, the philosophy, some
25 of the organizing concepts behind the initiatives, I think

1 those are widely, in not universally, applicable.

2 MR. EUGENE CURRY: Yeah, I would just say that,
3 you know, to some extent it goes back to some of the lessons
4 learned, which are really lessons about fundamentals, more
5 than they are about the details.

6 Having been part of the so-called Massachusetts
7 Miracle, I know that the claim that this stuff was
8 replicable elsewhere was quite baffling at bottom line,
9 but what wasn't was the fact that there are some fundamental
10 elements.

11 You know, simply stated, I mean, what have we all
12 been talking about here? We've really been talking about
13 the ability to empower local people to act in a different
14 way, to enhance their ability to compete and to negotiate.

15 And, you know, the fundamentals for that I think
16 are consistent, providing accurate information, which is
17 really related and directly related to that particular
18 community or area, being able to provide technical services,
19 where necessary, finding the civic entrepreneurs in those
20 communities who ultimately are going to make it a locally
21 driven effort, providing the kind of institutional
22 infrastructure where it does not exist.

23 And one of the things we finding in terms of a
24 variation is that in some of our regions you've got really
25 strong institutional mechanisms in those communities

1 already; and, others, you've almost got to create a support
2 network to allow that particular project to sustain itself.

3 But I think in that regard, there are a lot of
4 fundamentals which can be replicated anywhere.

5 MR. CHARLES PODESTA: I think it's absolutely
6 imperative that these models are packaged in some way,
7 whether it's a road map or fundamental elements, because one
8 of the disadvantages of this process, this public/private
9 partnership, is the time it takes to do it.

10 You know, you're looking at about a three-year
11 commitment, if you've got to create your own model and then
12 implement it and that's what it's taken us.

13 If we can shortcut that with some sort of road map
14 and get it down to an 18-month process for some of these
15 rural communities, then I think that will benefit everybody.

16 MR. JIM DOYLE: In Maine we borrowed heavily from
17 other states in developing each of our programs. But the
18 key that we found was to have a committed leadership, both
19 at the executive and at the legislative level, and their
20 commitments, what made this possible, and the network stuff
21 was the easy part, once they were on board.

22 MR. PAUL VASINGTON: Other questions from the
23 panel?

24 THE HONORABLE MICHAEL K. POWELL: I have a
25 question.

1 MR. PAUL VASINGTON: Commissioner Powell.

2 THE HONORABLE MICHAEL K. POWELL: Two questions.
3 I'll get them all at once.

4 One, to play a cynical devil's advocate a little
5 bit. What we're calling partnerships, but I don't
6 necessarily hear the partner part. That is, it seems a lot
7 of what we've heard is an emphasis on the way, which is
8 valuable in and of itself, communities can aggregate their
9 buying power and they have a stronger negotiated position,
10 but that it almost sounds as if it's still basically a
11 commercial transaction.

12 Is there something more you could say about the
13 degree to which you view these providers, not just as
14 suppliers, but are sort of joined in the same cause as
15 partners, in some sense, maybe above and beyond simple
16 commercial benefit.

17 The second thing I was going to ask is the degree
18 to which some of you may feel that you're locked into a
19 provider, potentially for some serious period of time in
20 which technology and other things can change.

21 To give you an example, we've seen some instances
22 in the country in which local franchises, you know, give
23 exclusivity to certain kinds of cable companies, certain
24 kinds of technology that has subsequently proven damaging,
25 because they deployed certain kinds of systems that now

1 counties can't get out of because of a heavy infrastructure
2 investment in a model that's not digital friendly, for
3 example.

4 So those two questions.

5 MR. PAUL VASINGTON: Mr. Podesta, you may want to
6 address the latter question, as far as how to handle in
7 terms of pressure?

8 MR. CHARLES PODESTA: Yeah. The technology side
9 with the infrastructure, basically, we're going to do a
10 wireless approach, which is less costly, but it also can be
11 -- it can evolve as this new technology comes out.

12 And we've got -- it's imperative on Global
13 Crossing to stay up with that technology. They're
14 responsible for the build out, responsible for that network;
15 and if they do not stay up on the technology, we're
16 well-within our rights to move to Bell Atlantic or any other
17 provider if I want to build a gigabyte network and Global
18 Crossing cannot give me a solution.

19 So that is part of the contract.

20 MR. JOSEPH ALVIANI: Yeah, I would also say that
21 it's probably imperative that whatever relationship occurs
22 with the initial provider or providers, that it's relatively
23 short in duration, to protect yourself against the fact
24 about getting locked in too long.

25 Now, obviously, that's part of negotiations, so a

1 company can know how much they ought to be investing in
2 order to get some sense of how much they're going to get as
3 a return.

4 But I think that's sort of fundamental,
5 particularly in these areas where there has not appeared to
6 be a sort of competitive market, where you've got, you know,
7 multiple vendors interested in pursuing it.

8 And as far as your first question is concerned, it
9 strikes me that what we're seeing as a result of some of
10 these models is the opportunity to begin to get providers to
11 think of themselves as having to be partners with the
12 community.

13 Prior to these things, there was no reason for
14 them to think about it. Either they were in a monopoly
15 situation or they weren't fully aware of what the market
16 potential might be in this area, in these areas, where they
17 would simply ignore them, because they thought there weren't
18 sufficient markets to justify investments.

19 MR. JIM DOYLE: In what we've done with education,
20 we've sort of stuck to what government does, which is
21 educate its citizens, but what we've tried to do is get our
22 partner to deploy to areas there they might not otherwise
23 deploy.

24 So, therefore, you know, not really a partnership
25 so much, you're correct, but sort of a jump start or try to

1 provide some type of admission to future partnerships.

2 MR. EUGENE CURRY: I think that in terms of your
3 first question, Commissioner, I think the process has
4 evolved so that we have, as Joe just said, developed more of
5 a partnership relationship with the providers.

6 We were very surprised to learn that some of the
7 newer providers coming into the market, in terms of trying
8 to decide where they were going to -- some of the DSL
9 resellers were relying on outdated and inaccurate
10 information that were guiding them to provide their services
11 in communities that would leave out significant portions of
12 the population, and we were able to help educate them about,
13 well, you know, this information is wrong. Here's what you
14 need to be thinking about.

15 So I think it is -- it is part of the empowerment
16 process that you are able to deal with the providers on a
17 more equal level. And I think that that's part of what
18 could be learned and could be replicated in other
19 communities.

20 MR. RAY CAMPBELL: Just one last point I wanted to
21 throw in. I mean, we've really, we've tried to work very
22 hard with the private companies that we've struck
23 arrangements with to really emphasize the partnership aspect
24 of it, and it's, as a result is -- with something this new,
25 there's constantly unexpected issues coming up, those things

1 that you didn't contemplate.

2 And as I am a recovering lawyer, I'm sort of
3 astonished at how often we don't even consult the contract
4 documents to determine what we're going to do. We get into
5 a room, we decide sort of what makes sense, who's got the
6 core competencies, who's in a better position to address it,
7 and it almost never comes down to, look, you said you were
8 going to do this in the contract.

9 It really has -- we've developed a real
10 partnership mentality with them where it's almost entirely
11 based on, you know, who's more available, who has the
12 resources, who's got the better fit for the requirements.

13 That's how we're making decisions with our
14 partners. So it has a real partnership feel to it.

15 MR. JIM DOYLE: This is one last point, but it's
16 difficult, given state contracting laws, to really develop a
17 partnership from the start, because you're forbidden to talk
18 to people in a partnership way, and you really get somebody
19 joining you at the point of the contract. And that's often
20 not the best way to go.

21 MR. CHARLES PODESTA: I'll just follow up on that.

22 But that's, again, where the public/private nature
23 -- because we can have some of the conversations that Jim
24 could not have.

25 And we found with the providers that we've been

1 working with that even when we've had somebody who said,
2 well, we're not interested in doing this, are working with
3 you on this particular aspect of the project.

4 The decision to not go forward feels better,
5 because we understand exactly what the -- and have a higher
6 level of confidence in what we're hearing is accurate
7 information, and it makes sense.

8 And we understand their perspective on certain
9 decisions, as well. And I think that's an improvement that
10 benefits everyone.

11 MR. RAY CAMPBELL: I'd like to have one more thing
12 on that.

13 I think one thing that was very helpful for the
14 Massachusetts Community Network is that in the legislature
15 selecting my organization, MCE, to heat up the procurement,
16 by statute, we're exempt from the state's procurement laws,
17 and so we were able to do something that, having had six
18 years experience in state government, was radically unlike
19 procurements done inside the public sector.

20 We let vendors submit preliminary proposals and we
21 would sit down with them and critique their proposals and
22 tell them what they could do better and give them
23 indications of whether they're on the right track or off the
24 right track, as opposed to the usual cone of silence that
25 descends whenever a state agency issues an RFP, and nobody

1 can talk to anybody.

2 We were encouraging the vendors to come in and
3 give us an indication of what they were going to do and we
4 tried to point them in the right direction.

5 MR. PAUL VASINGTON: Okay, do we have any
6 questions from the audience?

7 MR. RAY CAMPBELL: We've got lots of answers, as
8 you can tell.

9 (Laughter.)

10 MR. PAUL VASINGTON: That's why they're refraining
11 from asking any questions.

12 Okay.

13 FROM THE AUDIENCE: Yeah, I have one question on
14 the aggregation, which is a really interesting kind of way
15 to go, but why should Boston or Hartford or Worcester or
16 Portland join these aggregations? What's the problem --
17 what problems do you run into when you try to aggregate
18 quite disparate kinds of partners?

19 THE HONORABLE BRETT A. PERLMAN: Let me just
20 repeat the question for the people in the back of the room.

21 The question was: On aggregation why would
22 Boston, Portland and Worcester and some other areas want to
23 get involved in that kind of aggregation? What are the
24 disparate needs of different areas for aggregation?

25 MR. RAY CAMPBELL: From the perspective of

1 Massachusetts Community Network, I mean, we were able to
2 achieve a \$400 per month price point.

3 And actually, I didn't mention, but that includes
4 a Cisco router. It included in the \$400 per month price.
5 That's a far better deal than Boston was able to strike on
6 their own. So, you know, there's still an incentive.

7 MR. CHARLES PODESTA: I also think in the business
8 side of it, they probably could aggregate. And like with
9 health care or some of these other institutions, maybe
10 libraries, they could actually aggregate and probably drive
11 the price for the urban areas down, which would then help
12 us, because then we would go after, we would say, hey, we're
13 not equal to Boston or Worcester or Springfield, any more.
14 So we'd sit down with our partner and try to do that.
15 But I think there's benefits.

16 The problem you run into is the cultural
17 differences of the different businesses. We ran into that
18 in Berkshire County. We have, you know, museums, schools,
19 private businesses, manufacturing, and you get these people
20 in a room and they all have different thoughts as to how you
21 should proceed. So it's good to have, we talked earlier
22 about a model, if we could have a model or a road map, that
23 would make it a lot easier when you pulled these people into
24 a room.

25 MR. EUGENE CURRY: And you raise a good point,

1 though.

2 We've been sitting here, describing what has been
3 a successful process, and I think it has been a successful
4 process.

5 But when you bring -- if you're going to make this
6 work, you've got to bring in disparate elements of the
7 community, and they have different agendas.

8 And building a consensus about how to proceed is
9 not always an easy task. Some of our meetings were very
10 heated about how we were going to handle certain issues, and
11 I remember telling my co-chair that some times I felt less
12 like the chair of a collaborative effort and more like the
13 guest host on Family Feud.

14 But that's part of the issue. You've got to work
15 those issues. And that's why it takes a long time.

16 I think that Chuck's right, there are ways that
17 you can compress the process, but that building of consensus
18 is, I think, always time consuming and always will be time
19 consuming.

20 MR. JIM DOYLE: I have a question for the folks in
21 Massachusetts.

22 We've done mostly governmental or municipal
23 organizations in Maine. We haven't done businesses, which
24 it sounds like you've gotten in that role.

25 And so to echo that question, do businesses in

1 Boston regret giving up some type of competitive advantage
2 over their counterparts in the Berkshires or wherever the
3 case?

4 MR. CHARLES PODESTA: I think they still think
5 we're in New York.

6 (Laughter.)

7 MR. JIM DOYLE: But it hasn't -- that hasn't been
8 an issue?

9 MR. EUGENE CURRY: I haven't heard any from my
10 counterparts in health care in the Boston area. I've talked
11 to quite a few of them and it doesn't seem to be a concern.

12 MR. PAUL VASINGTON: We have other questions from
13 the audience?

14 FROM THE AUDIENCE: I seem to remember reading to
15 the MCET (inaudible) some public money that was used
16 somewhere within state government. What was that money used
17 for?

18 MR. PAUL VASINGTON: The question was: The public
19 money that was used for MCET, what was it used for?

20 MR. RAY CAMPBELL: The legislature last summer
21 appropriated \$9 million for the Massachusetts Community
22 Network initiative.

23 We've, by law, but also just for commitments we've
24 made, MCET is going to be a completely self-supporting
25 network, so the \$400 price point that we've achieved, that's

1 not subsidized. That's the fully loaded cost of the
2 network, the cost that the vendors are charging MCET and the
3 costs that we're incurring in delivering the service, as
4 well.

5 The \$9 million was used for a variety of one-time
6 expenses, some one-time payments to the vendors, some
7 start-up costs, marketing, promotional efforts, things like
8 that.

9 So it's just seed money to get the process moving,
10 but it is not going to require any ongoing state support.
11 The end price is the fully loaded cost of operating the
12 network.

13 THE HONORABLE BRETT A. PERLMAN: What was the
14 investment in both the Berkshire and the Cape Cod projects
15 by the state government, if any?

16 MR. RAY CAMPBELL: There was a \$250,000 grant
17 early on in Berkshire Connect in order to really perform the
18 initial feasibility study and assessment. And that was --
19 and other than sort of staff time from our organization,
20 which is quasi-public, there was not any additional state
21 investment that has been, you know, spent on that project.

22 And as far as the Cape is concerned, Gene, it was
23 really?

24 MR. EUGENE CURRY: There was none, actually.

25 It was a commitment of staff resources and some --

1 you did hire some consultants that helped us out.

2 MR. RAY CAMPBELL: Right.

3 MR. EUGENE CURRY: But the only government
4 investment in Cape Cod Connect has been a relatively recent
5 \$20,000 grant from the County Economic Development
6 Organization for some further studies and to hire a
7 consultant to do some further work.

8 THE HONORABLE BRETT A. PERLMAN: There was also
9 for Berkshire Connect about a million dollars, I think,
10 appropriated this year.

11 MR. CHARLES PODESTA: But not spent.

12 THE HONORABLE BRETT A. PERLMAN: But not spent,
13 since we were able to do a private build out.

14 MR. PAUL VASINGTON: Sir, last question from the
15 audience.

16 FROM THE AUDIENCE: I'd be grateful for a little
17 more information about the relationship between Berkshire
18 Connect, Equal Access and Global Crossing. How does that
19 triangle work? How did it come to be? How do you ---

20 MR. PAUL VASINGTON: The question is: What is --
21 speak some more on the relationship, the triangle
22 relationship, between Berkshire Connect, Global Crossing and
23 Equal Access Network.

24 MR. CHARLES PODESTA: Okay. Global Crossing is --
25 basically, we have two contracts, one with Global Crossing

1 and one with Equal Access.

2 Global Crossing is really the -- I would say,
3 getting us outside the county, so to speak, and around the
4 world, where Equal Access is really contracting to do the
5 Berkshire County network itself, the in-company network.

6 So there's other parts and pieces to that, but
7 that's basically -- right now, for an example, our
8 long-distance is being converted to Global Crossing, but our
9 data will be converted to the in-county network through
10 Equal Access.

11 MR. PAUL VASINGTON: Okay. We're going to come
12 back at 3:15, but I'd like to thank these panelists for a
13 very informative discussion.

14 (Applause.)

15 (Whereupon, a recess was taken.)

16 Panel Presentation III - Rural Success Stories & Challenges

17 THE HONORABLE JACK R. GOLDBERG: Good afternoon.

18 I'm Commissioner Jack Goldberg from the great
19 State of Connecticut. I've brought my own cheering section.

20 On behalf of my fellow Commissioners, I'd like to
21 thank everyone for attending here today.

22 When we made the decision late year to seek
23 approval to hold this hearing, we thought it would be useful
24 for the FCC and for the Joint Board to hear the success
25 stories and some of the challenges we're facing in New